

Public Hearing: December 16, 2013

FACT SHEET

TITLE: Sale of City-owned property located at 1427 N. 25th Street

SPONSOR: Urban Development Department

OPPONENTS: None

OTHER DEPARTMENTS AFFECTED:
None aware of

STAFF RECOMMENDATION: For

APPLICANT: Urban Development Dept.

REASON FOR LEGISLATION: Article II, Section 2 of the City Charter provides that the sale of any real estate having a value in excess of \$10,000 must be authorized by City Council ordinance.

DISCUSSION

The City of Lincoln obtained 1427 N. 25th Street "in lieu of" a foreclosure action. The former property owner borrowed money from the City through one of its home improvement loan programs. The owner died, and the heirs were not interested in keeping the property and opted to deed it to the City to satisfy the \$10,000 outstanding loan. Since this property was in the North 27th Street Redevelopment Plan area, the City used money generated from the TIF project to pay for the demolition which was approximately \$10,680.

The City has now received an offer to purchase this vacant lot from Habitat for Humanity for \$20,000. They plan to build new construction residential housing on the vacant lot for home ownership purposes. Part of the proceeds from the sale of the lot will go back into the home improvement loan program, and the remainder to the North 27th Street TIF fund.

The sale of the lot will allow the City to recoup the majority of its investment, improve the area, put the property back on the tax rolls and relieve the City of maintenance issues related to the property. For these reasons, we recommend approval of the sale.

POLICY OR PROGRAM CHANGE: None

COST OF TOTAL PROJECT: N/A

SOURCE OF FUNDS: N/A

CITY:

NON CITY:

BENEFIT COST: \$20,000

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